- The shipbuilding yard has been repaired and enlarged. The pre-war complement of machinery has been doubled and a large iron foundry is being constructed.
- There is a project to build four water cisterns, but the material for construction, on order from Hungary, has not yet arrived as a result of Hungary's having stopped all supplies to Tugoslavia since the end of June.

- - I FAITIAL

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CENTRAL INTILLIGENCE AGENCY

- There are insufficient stocks of steel available for the construction or repair of shipping at Split. Ships whose repairs were scheduled to take six months have already spent twelve months under repair and are still not ready.
- d. German engineers, imported from Stettin and the Russian sector of Berlin are being employed on the construction of these installations and the repair of ships. They are paid 15,000 dinars a month whereas Tugoslav engineers are paid only 5,000 dinars.

## Fiume

- The "Danubia" shipbuilding yard is 50 percent repaired; 2,000 men are employed solely on repairs to the shipbuilding yard.
- The torpedo factory is not functioning because of shortage of materials.



